

Drinking Water Treatment and Research Fund

Background

The Drinking Water Treatment and Research Fund (DWTRF) was created through the enactment of Senate Bill 2198 (Chapter 997, Statutes of 1998) to provide financial assistance for public water systems (PWSs) to address contamination of drinking water sources by gasoline oxygenates, and to conduct research for the development of cost effective water treatment technologies for the removal of oxygenates and strategies to protect drinking water sources from oxygenate contamination. (See Health & Safety Code Section 116367, *et seq.*). The Department of Health Services (DHS) is the state agency responsible for the administration of the DWTRF.

Currently, DHS has only adopted a drinking water standard for the gasoline oxygenate methyl tertiary butyl ether (MTBE). The adopted primary and secondary drinking water standard for MTBE of 0.013 and 0.005 milligrams per liter, respectively.

Project Funding Eligibility (Water Supply Restoration)

DHS is authorized to expend available DWTRF Program funds to public water systems for the following project categories when MTBE is detected in an existing DHS approved drinking water source at a level that exceeds an adopted drinking water standard:

- Installation and operation of DHS approved water treatment systems to remove MTBE from approved drinking water sources.
- Acquisition of alternate drinking water supplies to replace MTBE contaminated drinking water source(s) and/ or drinking water sources that are threatened with imminent MTBE contamination with continued operation. Eligible projects under this category include connecting to another PWS and the purchase of replacement water or installation of a new drinking water well.
- Investigations to determine the source(s) of MTBE contamination detected in groundwater sources used for drinking purposes.

Eligible projects are approved for funding on a “first-come, first-served” basis. Project priority funding status is based on the date that DHS receives a complete application package. Payments to PWS’s for eligible projects are issued on a cost reimbursement basis. However, DHS may authorize fund payments without a PWS first incurring eligible project costs if DHS makes a determination that prompt action is required to protect human health, the environment, or a PWS qualifies for “financial hardship” status.

PWSs receiving DWTRF payments that exceed \$1 million for an individual project are required, as a condition of accepting the state funds and by state law, to aggressively pursue cost recovery from the responsible party that caused the MTBE contamination of the drinking water source. Further, any monies recovered by a PWS from a responsible party must be remitted to DHS.

DHS may waive the cost recovery requirement if a PWS receives DWTRF payments that do not exceed \$1 million for an individual project.

Project Funding Criteria (Oxygenate Research)

DHS is also authorized to expend up to \$1 million annually to conduct research for the purpose of developing (1) cost-effective water treatment technologies to remove gasoline oxygenates

from drinking water supplies and (2) strategies to protect drinking water sources from oxygenate contamination.

DHS may enter into cooperative agreements with state, federal, local agencies, or other qualified persons to conduct the research and development activities. The approval of funding for eligible research and development projects is based on the recommendations of the DWTRF Research Advisory Committee.

Program Contact Information

Program Manager: Gary D. Hoffmann, P.E., Chief
Drinking Water Policy Development Unit
(916) 449-5623
ghoffman@dhs.ca.gov
